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issued by Director General of Foreign Trade (DGFT) enabling DGFT to facilitate and monitor the import of vanaspati, bakery shortening and margarine. Therefore, the Public Notice No. 17(RE-2006)/2004-09 dated 2.6.2006 was withdrawn subsequently. Thus, the Government was able to negotiate a package which has since been accepted by Sri Lanka thereby restricting the import quantities of Vanaspati including Bakery Shortening/Margarine and Pepper to mitigate the damage to domestic industry and farmers.

**Duty free access to American market**

869. SHRIMATI N.P DURGA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the U.S. Trade Representative had identified India as one of the six countries, not to extend duty free access to American market from 2007 under the revamped Generalised System of Preferences of US;

(b) if so, the details of items that are going to lose the benefit of duty free; and

(c) how the Ministry is planning to grapple with the problem?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) The Generalised System of Preferences (GSP) Scheme of the US, which was to expire on December 31, 2006 has been extended till December 31, 2008 with some amendments. The GSP Scheme provides for a periodical review of the Scheme as a result of which a country can be graduated from the Scheme (meaning thereby the country ceases to get benefits under the Scheme) or certain products of the country can be graduated from the Scheme on the basis of the prescribed thresholds. The GSP benefit for two years is available to all the eligible developing countries, including India.

(b) during the 2006 Annual Review for products under GSP, the U.S. Trade Representative (USTR) has proposed to review the following items for India:—

(i) Precious metal articles of jewellery;

- (ii) Non electrical lamps & light fittings;
- (iii) Cucumbers including gherkinds, prepared or preserved by vinegar or acetic acid;
- (iv) Hand-hooked carpets and other textiles floor coverings, tufted, whether or not made up, of woo or fine animal hair;
- (v) Colour television reception apparatus, video-display diagonal over 34.29 cm incorporating a VCR or player;
- (vi) Other aromatic nitrile-function pesticides fast color bases and fast color salts, of diazo-, azo- or axoxy compounds;
- (vii) wind-powered electric generating sets.

(c) A petition had been filed in the office of the USTR with regard to jewellery and non-electric lamps on September 5, 2006. An oral statement had also been made with regard to Cucumber, Hand hooked carpets and Color television reception apparatus at the public hearing before the Chairman of the GSP sub-committee of the Trade Policy Staff Committee of the USTR on February 16, 2007.

#### **Strengthening of economic and trade ties with Pakistan**

870. SHRI KALRAJ MISHRA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether during the recent visit of Pakistan Prime Minister to New Delhi/he insisted that economic, trade and other ties were closely tied to progress in negotiations on Kashmir;

(b) if so, what headway has since been made towards strengthening economic and trade ties with Pakistan; and

(c) the agreements, if any, entered into with Pakistan in this direction?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) Pakistan Prime Minister did not visit India recently.

(b) and (c) Do not arise.